

OFFICE OF STATE TREASURER

REQUEST FOR PROPOSALS FOR AUCTIONEER SERVICES

1. Purpose.

The purpose of the Request for Proposal ("RFP") issued in accordance with the requirements of Section 41-16-72(4), Code of Alabama (1975) by State Treasurer Kay Ivey ("Treasurer") is to seek the submission of proposals from interested firms to provide Auction Services ("Auctioneer") by conducting physical, on-site auctions and/or electronic, on-line auctions of tangible personal property held by the Unclaimed Property Division of the Office of State Treasurer. *The Treasurer reserves the right to reject any or all proposals and to solicit additional proposals if that is determined to be in the best interests of the State of Alabama.*

2. Background.

The Treasurer administers the Unclaimed Property program pursuant to Section 35-12-70 through 35-12-96, Code of Alabama (1975) (the "Code"). Businesses that are holding safe deposit box items and are unable to locate the rightful owners(s) of that property within statutorily defined periods are required to report and deliver such property to the State Treasurer. Within three years after the receipt of the property and after attempting to find the rightful owner, the Treasurer is authorized to sell unclaimed tangible property to the highest bidder at a public sale. If the highest bid at public sale is insufficient in the judgment of the Treasurer, the highest bid may be declined and the property may be re-offered for sale at a later date. The property includes firearms, jewelry, coins, silverware, baseball cards, and similar items.

Pursuant to Section 35-12-80(d) of the Code, the purchaser of property at a sale conducted by the Treasurer shall receive the property free of all claims of the owner or previous holder and of all persons claiming through or under them. The Treasurer shall execute all documents necessary to complete the transfer of ownership.

3. Nature of the Auction

The Treasurer will negotiate a contract with the successful Auctioneer under this RFP. The successful Auctioneer will perform all the requirements necessary as set forth in this RFP to prepare for, execute and conclude the sales at the Treasurer's public auction which may include electronic, on-line or on-site auctions.

The auction is expected to be held at the State Capitol in Montgomery, Alabama, or at a location determined by the Treasurer, during the month of July 2005. Actual hours on the day(s) of the auction shall not exceed 8:00 AM until 6:00 PM CST. The auction will be held on a date mutually agreed upon between the Treasurer and Auctioneer. The Treasurer shall have a minimum number of personnel present at the auction to monitor the auction process and to answer questions.

One subsequent auction may be held throughout the period of the contract, the timing of which shall be determined by the Treasurer. All items must be sold at each public auction, unless the

Treasurer declines the highest bid. Items that are not sold are to be returned to the Treasury on the first business day after the public auction. Treasury will verify that the same identical property has been returned and will provide a receipt to the Auctioneer for said property.

The Auctioneer will be responsible for directing and conducting an auction preview of at least one day where the items to be auctioned are displayed for preview by the general public. The preview day shall occur on the one to three days immediately prior to the date of public auction. The Treasurer reserves the right to display some of the property for promotional purposes prior to the auction. All property shall be displayed in such a manner and with sufficient personnel on hand to ensure the continued security of the property.

For on-line auctions, items must be previewed for a minimum of seven (7) days before they are sold.

All property is to be sold “as is” and “where is”. The Treasurer does not make any warranty of any kind expressed or implied, as to the condition of the articles offered for sale. All sales are final. All advertising materials must include this disclaimer. All transactions are between bidder and Auctioneer and will not involve the Treasurer.

The staff estimates the value of property to be auctioned at approximately \$50,000-\$60,000 with approximately 500 lots. This is not a professional estimate. Gross proceeds of \$50,540 was received for the 2002 auction for approximately 500 lots. This is provided as information only. Future auctions may result in more or less proceeds.

The Auctioneer, its employees, and family members shall be prohibited from bidding in the auction process.

4. Minimum Qualifications.

In order to be considered for selection to provide these services, the Auctioneer must provide Exhibit A as documented proof that the following minimum qualifications listed below are met:

- a. The Auctioneer has been providing comprehensive auctioneer services as described in Scope of Services for at least three (3) years as of December 31, 2004.
- b. Ability to purchase a fidelity bond, financial guaranty bond, fidelity insurance, general liability insurance or other financial guaranty from an entity licensed in the State of Alabama sufficient to provide protection to the Treasurer against theft, loss, or other illegal diversion of property or funds by the Auctioneer, or its employees and agents. The amount of the bond shall not be less than one hundred twenty five percent (125%) of the maximum estimated value of all property to be held and sold by Auctioneer.
- c. The Auctioneer and its personnel must have all authorizations, permits, licenses, and certifications as may be required under federal, state or local law to perform the services specified in this RFP as of December 31, 2004.
- d. The Auctioneer is qualified to do business in the State of Alabama.

5. Scope of Services.

Proposals are sought to provide comprehensive auction services to the Treasurer, including:

- a. all labor, materials, sound system, display cases, etc. necessary for setup, preview, auction and dismantle for on-site auction;
- b. all arrangements for an on-line auction, if applicable;
- c. transportation of items to be sold at the public auction to and from the auction location (if applicable);
- d. all advertisement expenses, creation, and placement related to the preview and auction, including but not limited to auction catalog, newspapers, trade publication, radio and television. All advertisement to be approved by the Treasurer;
- e. providing security personnel while items are in the possession of the Auctioneer, including but not limited to, during transportation, setup, preview and auction;
- f. collecting and accepting payments from successful bidders, and determining forms of payment that will be accepted;
- g. accounting/settlement report providing for each lot, at a minimum, the sale lot number and associated Treasury packet number, description of item, bidder number of successful bidder, actual sale price, and net proceeds.
- h. final accounting report of total auction proceeds and number of bidders;
- i. responsibility and custody of all auctionable items prior the auction at a time agreed upon between the Auctioneer and the Treasurer;
- j. devising a method for handling disputes;
- k. bonding or insurance as described in Section 4 – Minimum Qualifications;
- l. serving as auctioneer.

6. Proposal Requirements.

Proposals should be as thorough and detailed as possible so that your capabilities to provide the required services can be properly evaluated. The response should include the following:

A. Corporate Information and Personnel. Provide an overview of your firm, including the following:

- a. Corporate profile of your firm;
- b. Name and qualifications of the auctioneer assigned to this auction;
- c. Note any restrictions, consent orders or litigation involving the firm, principals, or key personnel within the past five years;
- d. Detailed information on any vendors or subcontractors your firm will partner with to provide these auctioneer services;
- e. Provide the dates, times and locations of auctions your company has scheduled within the next 90 days from the submission date of this RFP;
- f. Describe your company's experience conducting auctions which involved the sale of coins, jewelry and other collectibles;
- g. Describe your experience estimating proceeds from public auctions;
- h. Provide a copy of the company's most recent audited financial report/statement;
- i. Provide the following information for at least three (3) auctions:
 - a. Clients' name, address, phone number and contact person

- b. Date and locate of auction
- c. Types and quantity of items sold at the auction
- d. Total pre-auction estimates of gross proceeds from auction
- e. Actual gross proceeds generated from the sale of items at the auction
- f. Fee charged for the auction
- g. Services included in the fees
- h. Number of registrants attending the auction

B. Services

Address your company's ability to provide the services noted in Scope of Services. Restate each requirement and discuss whether or not you can provide the service, how you will provide the service or the extent to which you can provide the service, recommend any alternatives in addition to or in lieu of the stated requirement.

C. Fees

Provide your price for auction services described in this RFP as a percentage of the gross proceeds from the public auction of the items. The Auctioneer may elect to charge a Bidder's Premium in addition to or in lieu of the stated percentage of the gross proceeds. All compensation issues must be included as this will be the sole compensation paid to the Auctioneer.

The Auctioneer will receive all sale proceeds, and will be responsible for deducting the approved contract fee and making final settlement and payment to the Treasurer. Final payment should be made within five (5) business days following the auction.

D. Creative Solutions and Alternative Suggestions

All respondents are encouraged to be as creative as possible in responding to this RFP. Based on your review of the background information, scope of services, and Code, discuss any creative approaches to this service which have not been specifically requested or would enhance efficiency and/or reduce costs. An Internet simulcast of the live auction with real time bidding, and/or absentee bids accepted online may be examples of alternative suggestions.

E. Other

In addition to the above A-D, the proposal should include a cover sheet signed by an authorized company representative, Appendix A, and Disclosure Statement. All proposals submitted in response to this RFP must include a completed Disclosure Statement as required by Section 41-16-80, et seq., Code of Alabama (1975). Copies of the Disclosure Statement may be downloaded from the Alabama Attorney General's Internet web site at www.ago.state.al.us/ag_items.cfm.

7. Submission of Proposals.

Proposals must be received in the Office of the State Treasurer (the Honorable Kay Ivey, Treasurer of the State of Alabama), Suite S-106, Alabama State Capitol, 600 Dexter Avenue, Montgomery, Alabama 36104, **no later than the close of business on April 22, 2005**. Provide the original plus two copies.

It is the responsibility of the Proposer to ensure that its proposal is timely delivered and received in the proper office on or before the deadline for responding to this RFP. The Treasurer will not consider proposals received after the date and time specified herein. The Treasurer assumes no responsibility for late delivery by the U.S. Mail, the State's Central Mail Facility, a commercial courier service, or any other method of delivery selected by the Proposer.

Email any questions to Ralph.ainsworth@treasury.alabama.gov.

8. Evaluations and Selection

All proposals received will be reviewed and evaluated by a Selection Committee. The Committee will recommend proposals to the Treasurer that most closely meets the requirements of the RFP. The following will be used in making the selection.

- a. Offeror's Qualifications – Weight 30%
- b. Ability to Provide Services – Weight 20%
- c. Pricing – Weight 40%
- d. Creativity – Weight 5%
- e. Located in Alabama – Weight 5%

Treasurer will select the Auctioneer the Treasurer determines, in her sole discretion, to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors, including price, to best meet the needs of the owners of the property and the State of Alabama. It is the intent of the Treasurer to do business with Alabama firms that pay Alabama taxes and employ Alabama citizens. When all factors are equal, corporations located in Alabama will be given preference. *All proposals received in response to this RFP may be rejected and the Treasurer may solicit additional proposals.*

Upon identification of the selected Auctioneer, the Treasurer may initiate negotiations for contract terms and conditions. The contract will incorporate by reference all the requirements of the RFP and the Auctioneer's proposal as negotiated. It is expected that the term of the contract be for a period of two (2) years.

The Treasurer shall post the RFP and the notice of award on the treasury website www.treasury.alabama.gov. It is expected that the award notice shall be posted within two (2) weeks following May 5, 2005, and will remain posted for at least two weeks.

END OF RFP

personnel have all authorizations, permits, licenses, and certifications as may be required under federal, state or local law to perform the services specified in this RFP as of December 31, 2004.

Yes _____ No _____

5. My company is qualified to do business in the State of Alabama.